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**RECEIVED**  
LOS ANGELES SUPERIOR COURT

**OCT 20 2017**

**FILED**

Superior Court Of California  
County Of Los Angeles

Sherrri R. Carter, Executive Officer/Clerk  
By \_\_\_\_\_

**OCT 20 2017**

6 Attorneys for Plaintiffs, Randolph Anthony Garcia and Victorianna Hendrickson, Trustees of The  
7 Amended and Restated Garcia Family Trust UTD October 28, 2009, individually, and as Limited  
8 Partner of the CA Pedersen Client Investment Pool Limited Partnership; Randolph Anthony Garcia  
9 and Martha Garcia, Trustees of The Amended and Restated 1996 Garcia Family Trust, individually  
and as Limited Partner of the CA Pedersen Client Investment Pool Limited Partnership; and RMG  
Corporation, Limited Partner of the CA Pedersen Client Investment Pool Limited Partnership

10 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
11 **FOR THE COUNTY OF LOS ANGELES, SOUTH DISTRICT**

**BY FAX**

14 Randolph Anthony Garcia and Victorianna  
15 Hendrickson, Trustees of The Amended and  
16 Restated Garcia Family Trust UTD October  
17 28, 2009, individually, and as Limited Partner  
18 of the CA Pedersen Client Investment Pool  
19 Limited Partnership; Randolph Anthony  
20 Garcia and Martha Garcia, Trustees of The  
Amended and Restated 1996 Garcia Family  
Trust, individually and as Limited Partner of  
the CA Pedersen Client Investment Pool  
Limited Partnership; and RMG Corporation,  
Limited Partner of CA Pedersen Client  
Investment Pool Limited Partnership;

21 Plaintiffs,

22 vs.

23 Carol A. Pedersen, C.P.A., Individually, Carol  
24 A. Pedersen, General Partner of CA Pedersen  
25 Client Investment Pool Limited Partnership;  
26 CA Pedersen Client Investment Pool Limited  
27 Partnership; Dayantha Manilal Fernando,  
28 C.P.A., an individual, Carol A. Pedersen,  
Partner of Pedersen & Fernando, CPAs;  
Dayantha Manilal Fernando, Partner of  
Pedersen & Fernando, CPAs; Pedersen &  
Davantha Manilal Fernando, Partner of

Case No. NC061364

Assigned to Judge Michael P. Vicencia,  
Dept. S26

**ORDER APPOINTING A RECEIVER**

DATE: October 18, 2017  
TIME: 8:30 a.m.  
DEPT: S26

Action Filed: August 31, 2017  
CMC: January 29, 2018  
Trial Date: Unassigned

1 Pedersen & Fernando, CPAs; Pedersen &  
2 Fernando, CPAs, Carol Pedersen, President,  
3 Director and Sole Owner of CA Pedersen  
4 Accountancy Corporation; CA Pedersen  
5 Accountancy Corporation; Dland Flip, LLC,  
6 General Partner of Carol Pedersen Family  
7 Limited Partnership; Carol Pedersen Family  
8 Limited Partnership; Dland Flip, LLC; Hedwig  
9 & Fawkes, LLC, General Partner of Unicorn  
10 Partners XXIV Fund, L.P., Unicorn Partners  
11 XXIV Fund, L.P.; Hedwig & Fawkes, LLC,  
12 John Pedersen, an individual; Andrew  
13 Pedersen, an individual; Steve Pedersen, an  
14 individual; Mark Delmar Hawkins, an  
15 individual; Maureen Ellen Ashley, an  
16 individual; Mark Lewis Hawkins, an  
17 individual; Brett A. Hawkins, an individual;  
18 and Does 1 Through 100,

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Defendants.

12 The hearing on the Order to Show Cause for Appointment of a Receiver of the property  
13 and assets described in Attachment "1," and any other property and assets of the Receivership  
14 Defendants (hereinafter defined below) located by the Receiver and presented to and approved by  
15 the Court during Receivership (hereinafter referred to collectively as "Attachment 1") came on for  
16 hearing on October 18, 2017 at 8:30 a.m. In Department S26, before the Honorable Michael P.  
17 Vicencia, Judge Presiding. Mozingo & Patel, A.P.C. appeared for Plaintiffs, Randolph Anthony  
18 Garcia and Victorianna Hendrickson, Trustees of The Amended and Restated Garcia Family Trust  
19 UTD October 28, 2009, individually, and as Limited Partner of the CA Pedersen Client Investment  
20 Pool Limited Partnership; Randolph Anthony Garcia and Martha Garcia, Trustees of The  
21 Amended and Restated 1996 Garcia Family Trust, individually and as Limited Partner of the CA  
22 Pedersen Client Investment Pool Limited Partnership; and RMG Corporation, Limited Partner of  
23 CA Pedersen Client Investment Pool Limited Partnership, by and through Kinnery Patel, Esq.

24 Attorney David T. Ward, Esq. of Hallstrom, Klein & Ward, LLP appeared on behalf of  
25 Defendants Dayantha Manilal Fernando, C.P.A., an individual and Dayantha Manilal Fernando,  
26 C.P.A., General Partner of Pedersen & Fernando, C.P.A. Attorney Montgomery Cole, Esq. of  
27 Madden, Jones, Cole & Johnson was present on behalf of Defendants John Pedersen, an individual;  
28 Andrew Pedersen, an individual; Steve Pedersen, an individual; and Mark Delmar Hawkins, an  
individual, who have made no appearance to date.

1 FOR GOOD CAUSE APPEARING IT IS HEREBY ORDERED THAT:

2 Robb Evans and Associates LLC is appointed as Receiver during the pendency of this  
3 action or until further order of the court:

4 1. As to Defendants CAROL A. PEDERSEN, C.P.A., INDIVIDUALLY, CAROL  
5 A. PEDERSEN, GENERAL PARTNER OF CA PEDERSEN CLIENT INVESTMENT  
6 POOL LIMITED PARTNERSHIP; CA PEDERSEN CLIENT INVESTMENT POOL  
7 LIMITED PARTNERSHIP; CAROL A. PEDERSEN, PARTNER OF PEDERSEN &  
8 FERNANDO, CPAS; CAROL PEDERSEN, PRESIDENT, DIRECTOR AND SOLE  
9 OWNER OF CA PEDERSEN ACCOUNTANCY CORPORATION; CA PEDERSEN  
10 ACCOUNTANCY CORPORATION; DLAND FLIP, LLC, GENERAL PARTNER OF  
11 CAROL PEDERSEN FAMILY LIMITED PARTNERSHIP; CAROL PEDERSEN  
12 FAMILY LIMITED PARTNERSHIP; DLAND FLIP, LLC; HEDWIG & FAWKES, LLC,  
13 GENERAL PARTNER OF UNICORN PARTNERS XXIV FUND, L.P., UNICORN  
14 PARTNERS XXIV FUND, L.P.; HEDWIG & FAWKES, LLC, and each of them, and such  
15 Does as may be subsequently named (hereinafter "Receivership Defendants"), take possession of  
16 all real and personal property and assets of Receivership Defendants, whether directly or indirectly  
17 owned, beneficially or otherwise by, or in the possession, custody or control of Receivership  
18 Defendants, and each of them, , and their respective subsidiaries and affiliates, and their successors  
19 and assigns wherever situated, or to which Receivership Defendants have any right of possession,  
20 custody or control, beneficially or otherwise, irrespective of whosoever holds such assets,  
21 including all such assets which Receivership Defendants carry or maintain, or which may be  
22 received during the pendency of this Receivership, in order to obtain an adequate accounting of  
23 Receivership Defendants' assets and liabilities and to secure a marshalling of said assets and  
24 restrict Defendants from doing anything with the assets of Plaintiffs; and

25 2. The Receiver, prior to entry of his duties, shall execute and file a Receiver's oath,  
26 and file a bond required by Code of Civil Procedure section 567(b) in an amount according to law.

27 3. The Receiver may charge for the Receiver's services no more than \$425.00 per  
28 hour.

4. With regard to the Property and assets identified in Attachment "1," the Receiver  
is hereby authorized, empowered and directed:

A. To marshal, collect, review, observe, discover and take charge of all the real  
and personal property, premises, bank and brokerage accounts, and other assets of, or in the

1 possession of or under the control of Receivership Defendants, beneficially or otherwise, or  
2 wherever else situated, all accounts of Receivership Defendants in financial depository or other  
3 institutions, and of any other property in which Receivership Defendants have an interest,  
4 regardless by whom it may be held, beneficially or otherwise, on an ongoing and continual basis  
5 pursuant to this Court's order. The Receiver shall report to this Court the results of the review,  
6 observation, discovery and abstracts resulting from the activities of the Receiver as ordered by  
7 this Court, and specifically on any commingling of funds, unauthorized loans or other disposition  
8 of property of whatever description between any and each of the Receivership Defendants herein  
9 and/or any person, corporation, entity, sole proprietorship, affiliate, association of whatever type  
or structure, whether or not said entities are or are not Defendants in this action;

10 B. To employ attorneys as counsel for the Receiver to assist the Receiver in  
11 the performance of his duties and responsibilities at the hourly rate of no more than \$525.00 per  
12 hour. Before employing counsel the Receiver shall apply to the court for an order authorizing the  
Receiver to employ counsel;

13 C. To employ other such persons, including accountants, investigators, clerical  
14 and professional personnel, and the Receiver's in-house staff and counsel, to perform such tasks  
15 as may be necessary to aid the Receiver in the performance of his duties and responsibilities,  
16 without further order of the Court;

17 D. The Receiver shall immediately disclose to all parties any financial  
18 relationship between the Receiver and any entity or individual hired to assist in the management  
of the Receivership Property;

19 E. To file, within 30 days of his qualification and appointment hereunder, an  
20 initial inventory of all property which he shall then have reviewed observed and/or discovered  
21 pursuant to this Court's order. Additionally, the Receiver is to file one or more supplemental  
22 inventories when and if he shall subsequently come into knowledge of additional items appropriate  
23 to the inventory;

24 F. To undertake an independent review into the affairs and transactions of  
25 Receivership Defendants and to file with this Court, within 120 days, and every six months  
26 thereafter, a report detailing the Receiver's findings of his review of the condition of Receivership  
27 Defendants, other affairs and transactions of Receivership Defendants, reflecting the existence of  
28 any liabilities, both those claimed by others to exist and those to which the Receiver believes to be  
the legal obligations of each of said Receivership Defendants, including a review of any possible

1 conflicts of interest and any further information the Receiver believes may assist in an equitable  
2 disposition of this matter, and to include in the report the Receiver's opinion regarding the ability  
3 of said Receivership Defendants to meet their obligations as they come due, and the Receiver's  
4 recommendation regarding the necessity for, and the best method of handling, preserving, or  
5 disposing of said assets;

6 G. To invest funds of the Receivership estate in any interest-bearing  
7 obligations of the United States or in any interest-bearing accounts in financial institutions  
8 approved by the United States Trustee as an authorized depository for funds of bankruptcy estate,  
9 without further order of the Court; and to be the signatory on all bank accounts of Receivership  
10 Defendants, and each of them;

11 H. To bring such proceedings as are necessary to enforce the provisions hereof,  
12 including issuance of subpoenas to compel testimony or production of documents as to the  
13 existence or location of assets or any other information pertinent to the business, financial affairs,  
14 and other transactions of Receivership Defendants;

15 I. To bring such proceedings as are necessary to modify the provisions hereof,  
16 as the Receiver deems appropriate;

17 J. To make such payments and disbursements from the funds so taken into  
18 custody, control and possession of the Receiver or otherwise received by him, as may be necessary  
19 and advisable in discharging his duties as Receiver, without further order of the Court, including,  
20 without limitation, the payment of interim compensation to the Receiver and persons or entities  
21 under B and C above;

22 K. To carry on any lawful business activity of the entities and persons or  
23 entities in Receivership, to preserve investors' assets and to foreclose and/or actively seek and  
24 negotiate with potential buyers, assignees or other parties who may be interested in acquiring,  
25 purchasing, leasing, subleasing or renting real or personal property of Receivership Defendants  
26 and to sell, lease, sublease or rent such real or personal property of Receivership Defendants,  
27 subject to court approval;

28 L. To institute, prosecute, defend, compromise, intervene in and become a  
party either in his own name or in the name of Receivership Defendants, to such suits, actions or  
proceedings as may be necessary for the protection, maintenance, recoupment or preservation of  
the assets or property of Receivership Defendants, or in his custody, in his discretion, without  
further order of the Court; and

1 M. To divert, take possession of and secure all mail of Receivership  
2 Defendants, in order to screen such mail, retaining so much as it relates to the business of  
3 Receivership Defendants, and forwarding to the individual or other appropriate addresses so much  
4 as is not, in the Receiver's opinion, appropriate for retention by him, and to effect a change in the  
5 rights to use any and all post office boxes and other mail collection facilities used by Receivership  
6 Defendants; and

7 N. Upon the Receiver's appointment, the Receiver shall undertake an  
8 immediate review of all readily available assets of the Receivership Defendants in order to  
9 determine the economic viability of a Receivership. Upon such review, if the Receiver determines  
10 that sufficient assets are readily available to fund the Receivership, then the Receiver shall file  
11 such finding with the Court, and the Receivership shall continue until further order of the Court.  
12 If upon initial review the Receiver determines that readily available assets are insufficient to  
13 maintain the Receivership, then the Receiver shall so notify the Court, may request that the Court  
14 dissolve the Receivership, or modify the duties and responsibilities of the Receiver, and Plaintiff  
15 will not oppose such request, it being understood that the Receiver and professionals employed by  
16 the Receiver shall not be expected to perform services unless readily available assets exist to pay  
17 the expenses of the Receivership.

18 O. The Receiver shall cooperate fully with the California Department of  
19 Corporations, and any other state and federal law enforcement and regulatory agencies having  
20 jurisdiction over matters relating to the conduct or business of Defendants so as not to impair the  
21 ability of said state and federal law enforcement regulatory agencies to perform their duly  
22 authorized investigative and enforcement duties.

23 P. The Receiver's powers are in addition to, and not by way of limitation of,  
24 the powers described in Corporations Code sections 29540 and 25530(a), Financial Code section  
25 22713, and Government Code section 13975.1 and Code of Civil Procedure sections 564, et seq.

26 Q. The Receiver is vested with, and is authorized, directed and empowered to  
27 exercise, all of the power of Receivership Defendants, their officers, directors, shareholders,  
28 general partners or persons who exercise similar powers and perform similar duties; and that  
Receivership Defendants, their officers, agents, employees, representatives, directors, successors  
in interest, attorneys in fact and all persons acting in concert or participating with them, are hereby  
divested of, restrained and barred from exercising any of the powers vested herein in the Receiver.

1 R. Any state or federal law enforcement or regulatory agency having  
2 jurisdiction over matters relating to Receivership Defendants' business shall be permitted to  
3 review, without exception, all reports of the Receiver and all books, records, and files of  
4 Receivership Defendants at any time during normal business hours, with reasonable notice, and to  
5 make any abstracts or copies of said documents as it desires, provided that nothing herein shall  
6 waive or abrogate any applicable attorney-client or other legally recognized privilege; and  
7 Receivership Defendants, including, but not limited to the Receivership Defendants, their officers,  
8 directors, shareholders, agents, servants, employees, attorneys, salespersons, successors, assigns  
9 subsidiaries, affiliates, and other persons or entities under their control and all persons or entities  
10 in active concert or participation with Receivership Defendants, and all persons owing a duty of  
11 disclosure to Receivership Defendants, and each of them, shall cooperate with the Receiver in his  
12 investigation and turn over to the Receiver records, documentation, charts and/or descriptive  
13 material of all funds, assets, property owned beneficially or otherwise, and all other assets of  
14 Receivership Defendants wherever situated, and all books and records of accounts, title documents  
15 and other documents in the possession or under their control, which relate, directly or indirectly,  
16 to assets of Receivership Defendants; and

15 S. Except by leave of this Court and during the pendency of this Receivership,  
16 all claimants, creditors and other persons seeking relief of any kind, in law or in equity, from  
17 Receivership Defendants, and all others acting on behalf of any such persons, including sheriffs,  
18 marshals, servants, agents and employees, are restrained from:

19 (1) Commencing, prosecuting, continuing or enforcing any suit or  
20 proceeding, except by motion before this Court;

21 (2) Executing or issuing or causing the execution or issuance of any  
22 court attachment, subpoena, replevin, execution or other process for the purpose of impounding or  
23 taking possession of or interfering with or creating or enforcing a lien upon any property  
24 owned or in the possession of Receivership Defendants, its subsidiaries or affiliates, or the  
25 Receiver appointed therein, wherever situated;

26 (3) Commencing or continuing judicial or non-judicial foreclosure  
27 proceedings or proceedings for the appointment of a Receiver for any property owned or claimed  
28 by Receivership Defendants in this action;

(4) Creating, perfecting, or enforcing any lien or encumbrance against  
any real or personal property;

- 1 (5) Accelerating the due date of any obligation or claimed obligation;
- 2 (6) Exercising any right of set-off;
- 3 (7) Taking, retaining, retaking or attempting to retake possession of any  
4 real or personal property;
- 5 (8) Withholding or diverting any rent or other obligation; and
- 6 (9) Doing any act or thing whatsoever to interfere with the possession  
7 of or management by the Receiver herein and of the property and assets owned, controlled or in  
8 the possession of Receivership Defendants or to, in any way, interfere with the Receiver or to  
9 interfere in any manner during the pendency of this proceeding with the exclusive jurisdiction of  
10 this Court over Defendants.

10 T. Any and all provisions of any agreement entered into by and between any  
11 third-party and Receivership Defendants, including, by way of illustration, but not limited to, the  
12 following types of agreements (as well as any amendments or modifications thereto), mortgages,  
13 partnership agreements, financial guarantee bonds, joint venture agreements, promissory notes,  
14 remarketing agreements, loan agreements, security agreements, indemnification agreements,  
15 subrogation agreements, subordination agreements, deeds of trust, pledge agreements,  
16 assignments of rents and other collateral, financing statements, letters of credit, leases, insurance  
17 policies, guarantees, escrow agreements, management agreements, real estate brokerage and rental  
18 agreements, servicing agreements, consulting agreements, easement agreements, license  
19 agreements, franchise agreements, construction contracts, or employment contracts that provide  
20 in any manner that the selection, appointment, or retention of a Receiver or trustee by any Court,  
21 or the entry of an order such as hereby made, shall be deemed to be, or otherwise operate as a  
22 breach, violation, event of default, termination, event of dissolution, event of acceleration,  
23 insolvency, bankruptcy, or liquidation, shall be stayed, and the assertion of any and all rights,  
24 remedies relating thereto shall also be stayed and barred, except as otherwise ordered by this  
25 Court, and this Court shall retain jurisdiction over any causes of action that have arisen or may  
26 otherwise arise under any such provision.

25 U. The Receiver, the Receiver's employees and agents, and professionals  
26 employed by the Receiver, are entitled to monthly payment of interim compensation for services  
27 rendered, at their normal hourly rates, and monthly reimbursement for all expenses incurred by  
28 them on behalf of the Receivership estate, and the Receiver is authorized to make such payments  
without further order of the Court. Within 10 days after such monthly payments, the Receiver



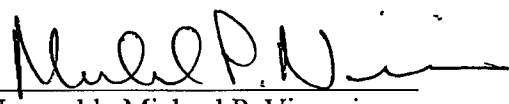
1 shall serve written notice upon the counsel of record for Receivership Defendants of the amount  
2 paid to each payee, with an itemization of the services rendered or expenses incurred.

3 V. Interim monthly fees paid shall be subject to review and approval by this  
4 Court, on a quarterly basis. This Court retains jurisdiction to award a greater or lesser amount as  
5 the full, fair and final value of such services. In the event that extraordinary services are performed  
6 by the Receiver, or any professionals employed by the Receiver, the Court may approve  
7 extraordinary compensation to such persons.

8 W. Receivership fees and costs shall only be paid from the assets of the  
9 Receivership estate.

10 **IT IS SO ORDERED.**

11 DATE: October 20, 2017

  
12 Honorable Michael P. Vicencia  
13 Judge of the Superior Court  
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ATTACHMENT "1"

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- a. 505 Gould Avenue, Hermosa Beach, CA 90254 owned by Defendants;
- b. 2001 Hillcrest Drive, Ventura, California 93001 owned by Defendants;
- c. 6956 Seaborne Street, Lakewood, California 90713 owned by Defendant;
- d. 121 South Pacific Street, Oceanside, California 90713 owned by Defendant;
- e. 69069 East Vine Maple Drive, Rhododendron, Oregon 97049 owned by Defendant;
- f. 3768 Linden Avenue, Long Beach, California 90807 owned by Defendants and any other real property owned by Defendants, not herein identified or known, not be sold, mortgaged, encumbered or that any money be withdrawn from any equity lines of credit which are secured by those properties until further order of the court;
- g. First Bank and Trust Account No. 1409066424;
- h. First Bank and Trust Account No. 813004392193026;
- i. CA Pedersen Client Investment Pool Account No. 16-050111;
- j. All accounts held in the name of Carol A. Pedersen at First Bank and Trust, including, but not limited to, those established at the branch located at 3850 Atlantic Avenue, Long Beach, California;
- k. All accounts held in the name of CA Pedersen Client Investment Pool Limited Partnership at First Bank and Trust, including, but not limited to, those established at the branch located at 3850 Atlantic Avenue, Long Beach, California;
- l. All accounts held in the name of Pedersen & Fernando, CPAs at First Bank and Trust, including, but not limited to, those established at the branch located at 3850 Atlantic Avenue, Long Beach, California;
- m. All accounts held in the name of CA Pedersen Accountancy Corporation at First Bank and Trust, including, but not limited to, those established at the branch located at 3850 Atlantic Avenue, Long Beach, California;
- n. All accounts held in the name of Dland Flip, LLC at First Bank and Trust, including, but not limited to, those established at the branch located at 3850 Atlantic Avenue, Long Beach, California;
- o. All accounts held in the name of Carol Pedersen Family Limited Partnership at First Bank and Trust, including, but not limited to, those established at the branch located at 3850 Atlantic Avenue, Long Beach, California;

1 p. All accounts held in the name of Hedwig & Fawkes, LLC at First Bank and Trust,  
2 including, but not limited to, those established at the branch located at 3850 Atlantic Avenue, Long  
3 Beach, California;

4 q. All accounts held in the name of Unicorn Partners XXIV Fund, L.P., at First Bank  
5 and Trust, including, but not limited to, those established at the branch located at 3850 Atlantic  
6 Avenue, Long Beach, California;

7 r. CA Pedersen Client Investment Pool Account No. 29-030109;

8 s. CA Pedersen Client Investment Pool Account No. 26-70308;

9 t. First Bank and Trust Account No. 081009428, and any other bank and brokerage  
10 accounts under the control of Receivership Defendants discovered by the Receiver, not herein  
11 identified or known, so as to prevent the withdrawal of any monies, with the exception of the  
12 general checking accounts utilized for standard of living expenses.

13 u. E-Trade Account No. XXX-2040.

14 v. E-Trade Account No. XXX-1644.

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IN WITNESS WHEREOF, I have hereunto set my hand and the seal of the Court of Probate for the County of Orange, California, this 11th day of June, 2011.

DEPUTY CLERK OF COURT

COURT OF PROBATE  
COUNTY OF ORANGE, CALIFORNIA